
23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION,
AND ST. JAMES)

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **OCT 19 2011**

23rd JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION,
AND ST. JAMES)

FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2011

INDEPENDENT AUDITORS' REPORT

Honorable Alan Robert
23rd Judicial District Public Defender Office
(Parishes of Ascension, Assumption, and St. James)

We have audited the accompanying financial statements of the governmental activities and the major fund of 23rd Judicial District Public Defender Office (the "Public Defender") as of and for the year ended June 30, 2011, which collectively comprise the Public Defender's basic financial statements as listed in the table of contents. These financial statements are the responsibility of 23rd Judicial District Public Defender Office's management. Our responsibility is to express opinions on these basic financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the 23rd Judicial District Public Defender Office as of June 30, 2011, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 1J to the financial statements, the District adopted the provisions of GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions for the fiscal year ended June 30, 2011. This standard reclassified the District's fund balance into various categories but did not affect the measurement of total fund balances.

In accordance with *Government Auditing Standards*, we have also issued a report dated September 13, 2011, on our consideration of the 23rd Judicial District Public Defender Office's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

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Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 3 through 8 and 23 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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September 13, 2011
Gonzales, Louisiana

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23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

This section of the 23rd Judicial District Public Defender Office's financial report presents our discussion and analysis of the Public Defender's financial performance during the year ended on June 30, 2011. Please read it in conjunction with the Public Defender's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- The Public Defender's total net assets decreased by \$43,823 over the course of the year's operations.
- The Public Defender's expenses were \$43,823 more than the \$1,077,533 generated in charges for services and other revenue.
- Revenues increased 28.2 percent to \$1,077,533 while expenses for the year decreased by 29 percent or approximately \$458,200.
- The general fund reported a fund balance of \$454,918, a decrease from June 30, 2010 of 7.3 percent.

OVERVIEW OF THE FINANCIAL STATEMENTS

This eighteen month report consists of three parts—management's discussion and analysis (this section), the financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the Public Defender:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the Public Defender's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the Public Defender's government, reporting the Public Defender's operations in more detail than the government-wide statements.
 - The governmental funds statements tell how general government services were financed in the short term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another.

Figure A-1 summarizes the major features of the Public Defender's financial statements, including the portion of the Public Defender's government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure of contents of each of the statements.

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

Figure A-1
Major Features of Public Defender's Government-wide and Fund Financial Statements

	<u>Fund Statements</u>	
	<u>Government-wide Statements</u>	<u>Governmental Funds</u>
Scope	Entire Public Defender government	The activities of the Public Defender
Required financial statements	<ul style="list-style-type: none"> • Statement of net assets • Statement of activities 	<ul style="list-style-type: none"> • Balance Sheet • Statement of revenues, expenditures, and changes in fund balances
Accounting basis and measurements focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
Type of inflow/outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received or have otherwise been incurred.

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

Government-wide Statements

The government-wide statements report information about the Public Defender as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the government's assets and liabilities. All of the current period's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the Public Defender's net assets and how they have changed. Net assets—the difference between the Public Defender's assets and liabilities—is one way to measure the Public Defender's financial health, or position.

- Over time, increases or decreases in the Public Defender's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the Public Defender you need to consider additional non-financial factors such as the demand for indigent defense.

The government-wide financial statements of the Public Defender include:

- Governmental activities—most of the Public Defender's basic services are included here such as cost on fines and forfeitures.

Fund Financial Statements

The fund financial statements provide more detailed information about the Public Defender's most significant funds—not the Public Defender as a whole. Funds are accounting devices that the Public Defender uses to keep track of specific sources of funding and spending for particular purposes.

The Public Defender has one type of fund:

- Governmental funds—All of the Public Defender's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the Public Defender's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the governmental funds statement, or on the subsequent page, that explains the relationship (or differences) between them.

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

FINANCIAL ANALYSIS OF THE PUBLIC DEFENDER AS A WHOLE

Net assets. The Public Defender's net assets decreased between the year ended 2011 and 2010 to \$469,302. (See Table A-1.)

Table A-1
Public Defender's Net Assets

	Governmental Activities	
	6/30/11	6/30/10
Current and other assets	\$469,084	\$496,688
Capital assets	14,384	22,120
Total assets	483,468	518,808
Current liabilities	14,166	5,683
Total liabilities	\$14,166	\$5,683
Net assets		
Invested in capital assets	14,384	22,120
Unrestricted	454,918	491,005
Total net assets	\$469,302	\$513,125

Net assets of the Public Defender's governmental activities decreased 8.5 percent or \$43,823 during the year. Unrestricted net assets- the part of net assets that can be used to finance day-to day operations without constraints established by enabling legislation or other legal requirements changed from \$491,005 at June 30, 2010, to \$469,302 at the end of the current fiscal year end.

Changes in net assets. The Public Defender's total revenues decreased 28.2 percent to \$1,077,533. The significant fluctuation is a result of the prior reporting period including eighteen months as compared to the twelve months reflected in the current fiscal year end. (See Table A-2). Approximately 70 percent of the Public Defender's revenue comes from court fines and forfeitures.

The total cost of all expenses increased approximately \$458,200 or 29 percent. The Public Defender expenses cover all of the services performed by its office.

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

Governmental Activities

Revenues for the Public Defender's governmental activities decreased 28.2 percent, while total expenses decreased 29 percent.

Table A-2
Changes in Public Defender's Net Assets

	Governmental Activities	
	<u>6/30/11</u>	<u>6/30/10</u>
Revenues		
Program revenues		
Charges for services	\$758,368	\$ 1,135,383
Grants	27,213	-
Interest	4,116	7,974
Miscellaneous	15,044	9,825
Intergovernmental	272,792	347,401
Total revenues	<u>1,077,533</u>	<u>1,500,583</u>
Expenses		
Personnel	949,699	1,359,993
Other Operating	163,921	219,549
Total expenses	<u>1,121,356</u>	<u>1,579,542</u>
Decrease in net assets	<u>\$ (43,823)</u>	<u>\$ (78,959)</u>

- The cost of all governmental activities for the year decreased approximately 29 percent to \$1,121,356. The significant change is a result of prior year balances being reported on 18 month period.

FINANCIAL ANALYSIS OF THE FUNDS

As the Public Defender completed the year, its governmental funds reported a fund balance of \$ 454,918, a decrease from last year of approximately \$36,000 or 7.3 percent.

General Fund Budgetary Highlights

Over the course of the year, there were no amendments made to the general fund budget.

**23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)**

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2011, the Public Defender had invested \$14,384 in capital assets. (See Table A-3.)

**Table A-3
Public Defender's Capital Assets
(net of depreciation)**

	Governmental Activities	
	6/30/11	6/30/10
Equipment	\$ 46,744	\$ 46,744
Accumulated Depreciation	(32,360)	(24,624)
Net Capital Assets	\$ 14,384	\$ 22,120

- There were no additions or disposals during the current fiscal year.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The Public Defender is dependent on providing criminal legal services for indigent individuals in Ascension, Assumption and St. James Parishes for approximately 70 percent of its revenues. The economy is not expected to generate any significant growth. Therefore, the Public Defender's future revenues are expected to be consistent with the current years.

CONTACTING THE PUBLIC DEFENDER'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the Public Defender's finances and to demonstrate the Public Defender's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Mr. Alan Robert, 12320 Highway 44, Bldg 4, Suite B, Gonzales, LA 70737.

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)
STATEMENT OF NET ASSETS
JUNE 30, 2011

ASSETS

	<u>2011</u>
Cash	\$ 194,284
Certificates of Deposit	203,021
Receivables	71,779
Capital assets, net of accumulated depreciation	<u>14,384</u>
TOTAL ASSETS	<u>483,468</u>

LIABILITIES AND NET ASSETS

LIABILITIES

Accounts payable	<u>\$ 14,166</u>
TOTAL LIABILITIES	<u>14,166</u>

NET ASSETS

Invested in capital assets	14,384
Unrestricted	<u>454,918</u>
TOTAL NET ASSETS	<u>\$ 469,302</u>

The accompanying notes are an integral part of these financial statements.

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2011

		<u>Program Revenues</u>		Net (Expense)
				Revenue and
	<u>Expenses</u>	<u>Charges for</u>	<u>Operating</u>	Changes in
		<u>Services</u>	<u>Grants</u>	Net Assets
				<u>Governmental</u>
				<u>Unit</u>
<u>FUNCTIONS/PROGRAMS</u>				
Governmental activities:				
General government	\$ 1,121,356	\$ 758,368	\$ 27,213	\$ (335,775)
Total governmental activities	<u>\$ 1,121,356</u>	<u>\$ 758,368</u>	<u>\$ 27,213</u>	<u>(335,775)</u>
General Revenues:				
Interest				4,116
Intergovernmental				272,792
Miscellaneous				<u>15,044</u>
Total general revenues				<u>291,952</u>
Change in net assets				(43,823)
Net assets - July 1, 2010				<u>513,125</u>
Net assets - June 30, 2011				<u>\$ 469,302</u>

The accompanying notes are an integral part of these financial statements.

**23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2011**

ASSETS

	<u>General Fund 2011</u>
Cash	\$ 194,284
Certificates of deposit	203,021
Accounts receivable	71,544
Interest receivable	<u>235</u>
TOTAL ASSETS	<u>\$ 469,084</u>

LIABILITIES AND FUND BALANCES

Liabilities	
Accounts payable	<u>\$ 14,166</u>
Total liabilities	<u>14,166</u>
Fund balance	
Unassigned	<u>454,918</u>
Total fund balance	<u>454,918</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 469,084</u>

The accompanying notes are an integral part of these financial statements.

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)
RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2011

	<u>2011</u>
Total fund balances - Governmental Funds	\$ 454,918
Cost of capital assets	46,744
Less: accumulated depreciation	<u>(32,360)</u>
	<u>14,384</u>
Total net assets - Governmental Activities	<u>\$ 469,302</u>

The accompanying notes are an integral part of these financial statements.

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE-GOVERNMENTAL FUND
FOR THE YEAR ENDED JUNE 30, 2011

	<u>2011</u>
<u>REVENUES</u>	
Costs on fines and forfeitures	\$ 758,368
Interest	4,116
Intergovernmental	272,792
Grants	27,213
Miscellaneous	<u>15,044</u>
 Total Revenues	 <u>1,077,533</u>
<u>EXPENDITURES</u>	
Current	
General government	
Personnel	949,699
Investigations	14,177
Capital representation	34,994
Expert witness	2,525
Misdemeanor attorney fees	9,219
Office	12,627
Vehicle	7,652
Utilities	1,236
Telephone	4,503
Rent	18,000
Professional fees	9,257
Insurance	42,866
Repairs	3,200
Dues	<u>3,665</u>
 Total Expenditures	 <u>1,113,620</u>
 Excess of Expenditures over Revenues	 (36,087)
 Fund balance, beginning of year	 <u>491,005</u>
Fund balance, end of year	<u>\$ 454,918</u>

The accompanying notes are an integral part of these financial statements.

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)
RECONCILIATION OF THE GOVERNMENTAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES
JUNE 30, 2011

	<u>2011</u>
Excess of Expenditures and Other Uses	
Over Revenue and Other Sources	\$ (36,087)
Capital Assets:	
Depreciation expense for the year ended June 30, 2011	<u>(7,736)</u>
	<u>(7,736)</u>
Change in Net Assets - Governmental Activities	<u>\$ (43,823)</u>

The accompanying notes are an integral part of these financial statements.

23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

INTRODUCTION

The 23rd Judicial District Public Defender Office was created according to the Louisiana Revised Statute 15:141. This statute has been amended by Act No. 307. The purpose of the Public Defender is to provide adequate legal representation of indigent persons charged with commission of felonies.

A. BASIS OF PRESENTATION

The accompanying basic financial statements of the 23rd Judicial District Public Defender Office have been prepared in conformity with governmental accounting principles generally accepted in the United States of America. The Governmental Accounting Standards Public Defender (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles

B. REPORTING ENTITY

The Louisiana Public Defender Board provides for the supervision, administration, and delivery of a statewide public defender system, which must deliver uniform public defender services in all courts in this state. The 23rd Judicial District Public Defender Office is not considered a component unit.

C. FUND ACCOUNTING

The Public Defender Office uses funds to maintain its financial records during the year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain Public Defender functions and activities. A fund is designed as a separate fiscal and accounting entity with a self-balancing set of accounts.

23rd JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. FUND ACCOUNTING (continued)

Governmental Funds

Governmental funds account for all or most of the Public Defender's general activities. These funds focus on the sources, uses, and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may be used. Current liabilities are assigned to the funds which they will be paid. The difference between a governmental fund's assets and liabilities is reported as fund balance. In general, fund balance represents the accumulated expendable resources which may be used to finance future period programs or operations of the Public Defender. The following are the Public Defender's governmental funds:

General Fund- the primary operating fund of the Public Defender and it accounts for all financial resources; except those required to be accounted for in other funds. The General Fund is available for any purpose it is expended or transferred in accordance with state and federal laws and according to Public Defender policy.

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING

Fund Financial Statements (FFS)

The amounts reflected in the General Fund are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach is then reconciled, through adjustment, to a government-wide view of Public Defender operations.

The amounts reflected in the General Fund use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). Measurable means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Public Defender considers all revenues available if they are collected within 60 days after the fiscal year end. Expenditures are recorded when the related fund liability is incurred except for interest and principal payments on general long term debt

23rd JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. MEASUREMENT FOCUS/BASIS OF ACCOUNTING (continued)

which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources. The governmental funds use the following practices in recording revenues and expenditures:

Revenues

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. All major revenues (court fines) are susceptible to accrual.

Expenditures

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and Statement of Activities display information about the Public Defender as a whole. These statements include all the financial activities of the Public Defender. Information contained in these columns reflects the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange or exchange-like transactions are recognized when the exchange occurs (regardless of when cash is received or disbursed). Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of GASB Statement No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*.

Program Revenues- Program revenues included in the column labeled Statement of Activities are derived directly from Public Defender users as a fee for services; program revenues reduce the cost of the function to be financed directly from the Public Defender's general revenues.

23rd JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. BUDGETS AND BUDGETARY ACCOUNTING

The Public Defender's office follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In accordance with the Budget Act of the State of Louisiana, the Public Defender prepares an operating budget for the general fund at least fifteen days prior to the commencement of the budgetary year end. The operating budgets include proposed expenditures and the means of financing them for the upcoming year.
2. The budget is made available for public inspection for a fifteen day period prior to a public hearing held to obtain taxpayer comment.
3. The budget for the General Fund is adopted on a basis consistent with generally accepted accounting principles (GAAP).
4. The budget is adopted at the public hearing and is authorized for implementation on the first day of the calendar year.
5. All annual appropriations lapse at year end.

F. CASH

Cash includes amounts in demand deposits and time deposits. The Public Defender considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Under state law, the Public Defender may deposit funds in demand deposits, interest bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

G. CAPITAL ASSETS

Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Public Defender maintains a threshold level of \$250 or more for capitalizing capital assets.

Capital assets are recorded in the Statement of Net Assets and Statement of Activities. Since surplus assets are sold for an immaterial amount when declared as no longer needed for public purposes, no salvage value is taken into consideration for depreciation purposes. All capital assets are depreciated using the straight-line method over their estimated useful lives. Useful lives vary from 5 to 7 years.

23rd JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

H. ESTIMATES

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported revenues, expenditures, and expenses during the reporting period. Actual results could differ from those estimates.

I. RESTRICTED NET ASSETS

For the government-wide statement of net assets, net assets are reported as restricted when constraints placed on net assets use either:

Externally imposed by creditors (such as debt covenants), grants, contributors, laws, or regulations of other governments; or

Imposed by law through constitutional provisions or enabling legislation.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed.

J. FUND EQUITY OF FUND FINANCIAL STATEMENTS

Nonspendable- represents amounts that are not expected to be converted to cash because they are either not in spendable form or legally or contractually required to be maintained intact.

Restricted- represents balances where constraints have been established by parties outside the District's office or imposed by law through constitutional provisions or enabling legislation.

Committed- represents balances that can only be used for specific purposes pursuant to constraints imposed by formal action of the Public Defender.

Assigned- represents balances that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed.

Unassigned- represents balances for which there are no constraints.

23rd JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

J. FUND EQUITY OF FUND FINANCIAL STATEMENTS (continued)

When expenditures are incurred for the purposes for which both restricted and unrestricted amounts are available, the District restricted amounts first, followed by unrestricted amounts. When expenditures are incurred for purposes for which committed, assigned and unassigned amounts are available, the District reduces committed amounts first, followed by assigned amounts and then unassigned amounts.

2. CAPITAL ASSETS

Capital assets and depreciation activity as of and for the year ended June 30, 2011, are as follows:

	<u>Furniture and Equipment</u>
Cost of Capital Assets, June 30, 2010	\$ 46,744
Additions	<u>-</u>
Cost of Capital Assets, June 30, 2011	<u>46,744</u>
Accumulated depreciation, June 30, 2010	24,624
Additions	<u>7,736</u>
Accumulated depreciation, June 30, 2011	<u>32,360</u>
Capital assets, net of accumulated depreciation, at June 30, 2011	<u>\$ 14,384</u>

For the year ended June 30, 2011, depreciation expense was \$7,736.

23rd JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2011

3. CASH

At June 30, the Defender had cash (book balances) as follows:

	<u>2011</u>
Demand Deposits	\$ 194,284
Time Deposits	<u>203,021</u>
Total	<u>\$ 397,305</u>

These deposits are stated at cost, which approximates market. Under state law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value for the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Custodial Credit Risk- Is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk. As of June 30, 2011, \$397,305 of the bank balance was not exposed to custodial credit risk.

Interest Rate Risk- The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

4. LITIGATIONS AND CLAIMS

There was no pending or threatened litigation against the 23rd Judicial District Public Defender as of June 30, 2011.

5. OPERATING LEASE

The Public Defender leases office space under a month to month agreement. The Public Defender paid monthly rental payments of \$1,500. Payments under this lease totaled \$18,000 for the year month period ended June 30, 2011.

6. SUBSEQUENT EVENTS

Management has evaluated subsequent events through the date the financial statement were available to be issued, September 13, 2011, and determined that there were no events that require disclosure.

No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

23rd Judicial District Public Defender Office
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)

NOTES TO FINANCIAL STATEMENTS

June 30, 2011

7. GOVERNMENTAL FUND REVENUES AND EXPENDITURES

For the year ended June 30, 2011, the major sources of governmental fund revenues and expenditures were as follows:

Revenues:

State Government

Grants	\$ 27,213	
Other	<u>272,792</u>	
Total		\$300,005

Local Government

Statutory fines, forfeitures, fees, court costs, and other	<u>758,368</u>	
Total		758,368

Investment earnings

<u>4,116</u>	4,116
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Miscellaneous

<u>15,044</u>	15,044
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Total Revenues		<u><u>\$1,077,533</u></u>
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Expenditures:

Personnel Services and Benefits

Salaries	\$169,267	
Payroll taxes	<u>11,136</u>	
Total		\$180,403

Professional Development

Dues, licenses, and registrations	<u>3,665</u>	
Total		3,665

Operating Costs

Library and research	14,177	
Contract services - attorney/legal	769,296	
Contract services -other	46,738	
Lease - office	18,000	
Travel - transportation	7,652	
Insurance	42,866	
Supplies	12,627	
Repairs and maintenance	3,200	
Utilities and telephone	5,739	
Other	<u>9,257</u>	
Total		<u>929,552</u>

Total Expenditures		<u><u>\$1,113,620</u></u>
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23RD JUDICIAL DISTRICT PUBLIC DEFENDER OFFICE
(PARISHES OF ASCENSION, ASSUMPTION, AND ST. JAMES)
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2011

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
<u>REVENUES</u>			
Costs on fines and forfeitures	\$ 800,000	\$ 800,000	\$ 758,368
Interest	16,000	16,000	4,116
Intergovernmental	156,000	156,000	272,792
Grants	-	-	27,213
Miscellaneous	4,200	4,200	15,044
Total Revenues	<u>976,200</u>	<u>976,200</u>	<u>1,077,533</u>
<u>EXPENDITURES</u>			
Personnel	940,000	940,000	949,699
Investigations	10,000	10,000	14,177
Capital representation	-	-	3,980
Conflict	-	-	31,014
Expert witness	25,000	25,000	2,525
Insurance	23,500	23,500	42,866
Misdemeanor attorney fees	-	-	9,219
Office	12,500	12,500	12,627
Vehicle	7,000	7,000	7,652
Utilities	7,500	7,500	5,739
Rent	18,000	18,000	18,000
Professional fees	12,000	12,000	9,257
Repairs	3,600	3,600	3,200
Dues	2,500	2,500	3,665
Total Expenditures	<u>1,061,600</u>	<u>1,061,600</u>	<u>1,113,620</u>
Excess of revenues under expenditures	(85,400)	(85,400)	(36,087)
Fund Balance, July 1, 2010	<u>491,005</u>	<u>491,005</u>	<u>491,005</u>
Fund Balance, June 30, 2011	<u>\$ 405,605</u>	<u>\$ 405,605</u>	<u>\$ 454,918</u>

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON
COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING
STANDARDS**

Honorable Alan Robert
23rd Judicial District Public Defender Office
(Parishes of Ascension, Assumption, and St. James)

We have audited the financial statements of the governmental activities and the major fund of 23rd Judicial District Public Defender Office (the "Public Defender"), as of and for the year ended June 30, 2011, which collectively comprise the 23rd Judicial District Public Defender Office's basic financial statements and have issued our report thereon dated September 13, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the 23rd Judicial District Public Defender Office's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the 23rd Judicial District Public Defender Office's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Public Defender's internal control over financial reporting.

A deficiency in internal controls exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in the internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Public Defender office's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we did not express such an opinion.

The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs as item 2011-01.

23rd Judicial District Public Defender Office's response to findings identified in our audit is described in the accompanying schedule of findings and questioned costs. We did not audit the Public Defender's response and, accordingly, we express no opinion on it.

This report is intended solely for the information and use of the Public Defender, management, and the Legislative Auditor, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



September 13, 2011
Gonzales, Louisiana

23rd Judicial District Public Defender Office

SCHEDULE OF FINDINGS AND RESPONSES

YEAR ENDED JUNE 30, 2011

A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the 23rd Judicial District Public Defender Office.
2. No significant deficiencies relating to the audit of the financial statements are reported in the Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards.
3. One instance of noncompliance material to the financial statements of the 23rd Judicial District Public Defender Office is disclosed in Part B of this schedule.

B. FINDING – FINANCIAL STATEMENTS AUDIT

NON COMPLIANCE

2011-01 LOCAL GOVERNMENT BUDGET ACT

Criteria: LRS 39:1305 states the proposed budget should include a budget message signed by the budget preparer highlighting the most important features.

Condition: A budget message was not prepared in accordance with budget preparation laws.

Effect: Failure to prepare a budget message violates LRS 39:1305.

Recommendation: We recommend a budget message be prepared with the proposed budget to comply with budget preparation laws.

Views of responsible officials and planned corrective actions: Procedures will be implemented to ensure the 2012 budget includes a message highlighting the most important features in order to comply with budget law.

23rd Judicial District Public Defender Office

SCHEDULE OF PRIOR AUDIT FINDINGS

YEAR ENDED JUNE 30, 2011

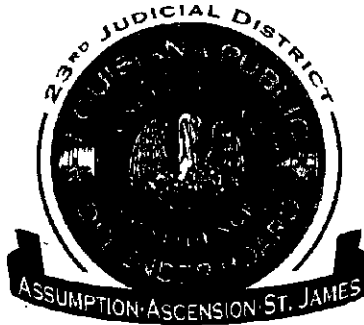
A. FINDINGS – FINANCIAL STATEMENT AUDIT

2010-01 Local Government Budget Act

A budget message was not prepared in accordance with budget preparation laws.

Current Status: Similar finding noted in the current year.

District Public Defender
23rd Judicial District
Alan J. Robert
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Telecopy: (225) 647-9683

CORRECTIVE ACTION PLAN

September 13, 2011

Louisiana Legislative Auditor

The 23rd Judicial District Public Defender Office respectfully submits the following corrective action plan for the eighteen month period ended June 30, 2011.

Name and address of independent public accounting firm:

Postlethwaite & Netterville, APAC
326 E. Cornerview
Gonzales, LA 70737

Audit period: July 1, 2010 – June 30, 2011

The findings from June 30, 2011 schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS – FINANCIAL STATEMENT AUDIT


2011-01 LOCAL GOVERNMENT BUDGET ACT

Recommendation: The proposed budget should include a budget message highlighting the most important features of the budget and should be signed by the budget preparer.

Action taken: The Public Defender will comply with this law and prepare a budget message for year ending 2012 and for future years.

If the Louisiana Legislative Auditor has questions regarding this plan, please call Alan Robert at (225) 644-2968.

Sincerely,


Alan Robert
Public Defender